



U.S. Department
of Transportation
**Federal Aviation
Administration**

Memorandum

Subject: **ACTION**: Program Guidance Letter 00-05

Date: Sep 6, 2000

From: Manager, Airports Financial Assistance
Division, APP-500

Reply to
Attn. of:

To: PGL Distribution List

The Wendell H. Ford Aviation Investment and Reform Act for the 21st Century is cited below as AIR 21. AIR 21 includes several provisions affecting funding for non-primary airports. This PGL provides guidance on those changes.

00-5.1 Reliever Set-Aside - Mark Beisse (202) 267-8826.

AIR 21, section 104(f), amends the Title 49, United States Code (USC), section 47117(e)(1), to establish a new reliever airport set-aside when the total annual amount made available for the AIP is \$3.2 billion or more.

Parameters for this reliever set-aside include annual operations (more than 75,000), landing distance (5000 feet), based aircraft (100 or more), precision instrument procedures (localizer and glide slope unit, microwave landing system, or interim standard microwave landing system), and delay for commercial passenger aircraft at the airport relieved (20,000 hours annually). A list of the relievers meeting the statutory criteria for fiscal year 2001 is contained in Attachment A for planning purposes in case the \$3.2 billion level may be reached. This list has fewer airports than the total number of relievers in the National Plan of Integrated Airport Systems. Relievers that meet the criteria will be identified annually to regions. We encourage your review of these data for accuracy in each case before issuing grants.

The amount of the new reliever set-aside is 0.66 percent of discretionary funds. Since this amount is small, the annual Airport Capital Improvement Plan will be used to identify the best projects nation-wide that will receive these funds.

00-5.2 Amounts Apportioned for the Non-Primary Airports - Mark Beisse (202) 267-8826 and Sharon Glasgow (202) 276-8739.

AIR 21, section 104, AIP Formula Changes, has several provisions affecting State apportionment funds, including establishment of the “amounts apportioned for general aviation airports” as a funding category. For the purposes of this discussion, although the words “apportionment” and “entitlement” are synonymous, we will be using apportionment to mean “State Apportionment” and entitlement to apply to funding apportioned to an airport or sponsor.

A feature of the new law is that amounts apportioned for States are increased from 18.5 percent of the AIP funding to 20 percent when the total annual amount is \$3.2 billion or more. Whenever this occurs, it allocates entitlements to certain non-primary airports from a portion of “State apportionment” funds.

Any non-primary airport is potentially eligible to receive grants from this category, and the description of the apportionment as applicable for general aviation airports is somewhat misleading. The category includes funding for general aviation, reliever, and non-primary commercial service airports. Amounts apportioned for the non-primary airports may apply to any National Plan of Integrated Airport Systems (NPIAS) location except a primary airport. The region must verify airport status and eligibility for the individual non-primary entitlement annually. For example, the airport may change from primary to non-primary. An airport would qualify for the particular entitlement (either primary or non-primary) based on the region’s analysis of passenger levels as of October 1 each year rather than the airport type as listed in the NPIAS.

Two alternate methods are described in the statute to calculate entitlements for non-primary airports based on the total annual AIP funding that is made available as follows:

- Traditional State Apportionment. When the annual AIP total amount is less than \$3.2 billion, the formula remains at 18.5% of AIP and the apportionment is based on a formula of population and land area. No individual non-primary airport entitlement is calculated.
- Non-Primary Airport Entitlement. When the annual AIP total is \$3.2 billion or more, State Apportionment is increased to 20 percent of AIP funding. From that 20%, individual entitlements are calculated for non-primary airports based on 20 percent of 5-year costs for an airport in the published NPIAS, with a maximum annual entitlement of \$150,000. The remaining amounts are allocated to States in accordance with current formulae. NPIAS entries are of major import in this provision. Some airports, although listed in the NPIAS, are ineligible. This would occur at Federal agency locations, privately owned airports that are not relievers, or “new” NPIAS sites.

The NPIAS published in March 1999, for the years 1998-2002, will be used to determine entitlements for fiscal year 2001. APP-400 plans to prepare an updated NPIAS publication for issuance prior to October 1, 2001. We will provide further instructions regarding the NPIAS to be used in determining entitlements for FY 2002 and 2003 in connection with the publication of the updated NPIAS.

Outreach. There may be a number of airports that have never had a financial relationship under the AIP, or have not had one in many years, who will now qualify for the entitlement under this program. As a result, these airports may not be cognizant of the Federal requirements that attach to AIP grants both immediately and for the term of the assurances. Regions should actively contact eligible airports as soon as possible. This contact should advise the sponsor of the potential entitlement and provide basic information regarding requirements. A sample letter is contained in Attachment B for regions and airport district offices to use in making the initial contact.

Regions should exercise care to send the attached letter only to sponsors that can reasonably be expected to qualify for a non-primary entitlement based on the above criteria. We should avoid confusing sponsors with inappropriate correspondence. The letter requests sponsors to contact the FAA Airports offices to discuss the AIP. We recommend that there should be a discussion of the basic provisions of AIP eligibility, funding plans and assurances with which the airport will be required to comply. Airports should not receive a grant for any year when no work is required.

Airport Capital Improvement Plan. Regions will need to exercise careful judgement in identifying projects in the ACIP after consultation with individual sponsors to determine a willingness of the sponsor to request AIP funding. It is important that Regions pay particular attention to the availability of a willing sponsor able to satisfy general legal, grant assurance and local matching fund requirements.

Facilitating Smaller Grants. Congress intended that a maximum effort be made to fund projects at a larger number of airports under AIR-21. It is important that FAA procedures typically applied to projects should not unnecessarily impede the issuance of smaller grants to non-primary airports. For example, an airport may want to use its entitlement for pavement maintenance or a similar eligible purpose and not have funds available to develop an extensive airport layout plan (ALP). In these cases the region may consider approving an interim or conceptual ALP that shows, as a minimum, the airport property line and major improvements therein, such as paved areas and structures. The approval of this minimal ALP in lieu of a traditional ALP can be routinely considered when approving a low cost maintenance project at nonprimary airports. More involved projects of higher costs would use the interim/conceptual ALP sparingly as provided in paragraph 428(d)(3) in FAA Order 5100.38A (see change 1 issued

12/20/99). Except as provided in this paragraph, APP-510 should be consulted prior to waiving or providing relief from any other assurance.

Use of New Entitlement for Planning. Due to the importance of airport layout plans, especially as airports are prepared for satellite navigation, regions are encouraged to discuss use of these non-primary entitlements for the preparation of an ALP and/or provide system plan grants for the planning at these small airports.

Advanced Programming. Advanced programming of these entitlements is not anticipated since there is no guarantee of the \$3.2 billion level, which triggers the non-primary airport entitlement. Non-primary airport entitlements are available to an airport for the year apportioned and for an additional two fiscal years. The AIP system for funds control can track these funds similar to the tracking of primary cargo entitlement funds. The non-primary entitlements are site-specific and airport site numbers will be utilized to track the funds. Contact APP-520 for assistance with AIP programming.

Carryover Funds. If a location or sponsor decides to carry over its entitlement as a result of the annual Federal Register notice, conversions of those funds to discretionary funds for other uses do not deprive the location or sponsor of those funds in the future. Following established procedures, there is no requirement to maintain carryover non-primary entitlements within the state from which they came, or even to the "State Apportionment" set-aside. However, keeping the carryover funds for distribution among the family of small airports, i.e., those eligible for State apportionments, will be consistent with the original intent for these funds. Although there is no obligation to use this converted discretionary at nonprimary airports, we intend to distribute to smaller airports to the extent practicable taking into account the types of need for these airports in comparison with other system needs in that fiscal year. This would also be consistent with the recommended treatment of block grant states, which is discussed in the next section.

State Sponsorship of Airport Projects. Under section 47105(a)(1)(B), a State may sponsor airport development projects at one or more airports within its boundaries if the sponsor gives its written consent and we find that there is administrative merit and aeronautical benefit. We must also be satisfied that the State will comply with all grant conditions and assurances. Since there is an administrative benefit to administering one fairly large grant to a State versus a number of small grants to individual airports, Regions should encourage states to consider State sponsorship of airport projects as a means to issue entitlements, wherein each entitlement airport and amount are identified.

Differences from Primary Airport Entitlements. There are some significant differences from the passenger entitlements afforded primary airports:

1. The non-primary entitlement is available to an airport for a period of the first year that it is apportioned and two additional fiscal years. Even though these airports meet the definition of “non-hub” airport, only passenger entitlements at non-hub primary airports are available for the first fiscal year and three additional fiscal years.
2. Primary airport entitlements are available for use at any airport owned by a sponsor. AIR-21 did not provide a similar authority to nonprimary entitlements and therefore, nonprimary entitlement use is similar to cargo entitlement use and may only be used at the airport receiving the entitlement.
3. Primary airport entitlements can be “given” to another airport sponsor upon agreement of the FAA; no similar provision applies for nonprimary entitlements.
4. Sponsors may use primary entitlements for work performed subsequent to September 30, 1996, but before a grant, for reimbursement of costs. No similar provision exists for nonprimary entitlements.
5. Primary airports may enter into multiyear grants under AIP but no similar provision permits these nonprimary airports to receive multiyear grants.

Reporting of Entitlement Use. Since this is a new part of AIP, we anticipate the need to evaluate the usefulness of the non-primary entitlement program. Therefore, by November 1 of each year, starting in November 2001, regions may be requested to provide a short summary to be used to analyze its effectiveness. Such summary could include the following:

1. Number of airports in region receiving the entitlement.
2. Number of projects funded with the entitlement and associated work descriptions.
3. Number of airports not using the entitlement and the reasons, including whether it is to be used at the airport in a different year.

Many other issues may be raised about the nonprimary airport entitlement as the feature is implemented. If you have any additional questions before issuing an entitlement grant, contact APP-510.

00-5.3 Non-primary Airport Entitlements within Block Grants – Mark Beisse (202) 267-8826.

Current and future block grant states will be responsible for administering individual non-primary airport entitlement.

These airports must be itemized within the block grant offer ensuring the State uses the specified funds at entitled locations. Lists of the associated city, airport, and amount of the Federal share, should be added in a new condition 9 with the preface: "Entitlements for non-primary airports must be utilized as follows:"

When entitlements occur, regions would request states to report on how the specified entitlement amounts were used at the end of three years after such a block grant has been issued. The states may be asked for the same information outlined within PGL 00-4.2 under Reporting of Entitlement Use as a basis for recovering funds. It should be noted that reporting an airport is unready to undertake a project would not necessarily be construed negatively in evaluating the block grant since we anticipate many problems of this nature.

If reported use of AIP funds for an individual airport project after three years does not meet or exceed the entitlement, the difference should be recovered from the block grant based on actual payments as with any other project. The requirement is total individual airport obligations must equal or exceed their total entitlements at the end of the third year.

For assistance with requiring entitlements within block grants, contact APP-510.

Original Signed by

Barry L. Molar

Relievers Meeting All Criteria in AIR 21 – Super Relievers

Appendix A

	ST	City	Airport	Locid	Svc Lvl	Own	Useable Runway	ILS	Bsd Acft	Total Ops.	Airport Relieved
1	CO	Denver	Centennial	APA	RL	PUB	10,002	Y	659	462,444	Denver Intl
2	CO	Denver	Front Range	FTG	RL	PUB	8,000	Y	209	95,172	Denver Intl
3	CO	Denver	Jeffco	BJC	RL	PUB	9,000	Y	459	165,505	Denver Intl
4	FL	Orlando	Executive	ORL	RL	PUB	6,003	Y	381	202,544	Orlando International
5	FL	Miami	Kendall-Tamiami Executive	TMB	RL	PUB	5,001	Y	403	195,034	Miami International
6	FL	Miami	Opa-Locka Airport	OPF	RL	PUB	8,002	Y	331	110,111	Miami International
7	GA	Marietta	Cobb County-McCollum Field	RYY	RL	PUB	*5,105	Y	341	113,835	William B Hartsfield-Atlanta Intl
8	GA	Atlanta	Dekalb-Peachtree	PDK	RL	PUB	6,001	Y	599	232,385	William B Hartsfield-Atlanta Intl
9	GA	Atlanta	Fulton County - Brown Field	FTY	RL	PUB	5,796	Y	310	109,458	William B Hartsfield-Atlanta Intl
10	GA	Lawrenceville	Gwinnett County - Briscoe Fld	LZU	RL	PUB	6,000	Y	331	111,601	William B Hartsfield-Atlanta Intl
11	IL	Chicago/Aurora	Aurora Municipal	ARR	RL	PUB	6,501	Y	260	133,615	Chicago O'Hare International
12	IL	Chicago/West Chicago	Du Page	DPA	RL	PUB	6,700	Y	448	212,512	Chicago O'Hare International
13	IL	Chicago/Wheeling/Prospect Heights	Palwaukee	PWK	RL	PUB	5,001	Y	348	185,235	Chicago O'Hare International
14	IL	Cahokia/St. Louis	St. Louis Downtown-Parks	CPS	RL	PUB	6,997	Y	230	162,206	Lambert-St.Louis International
15	IL	Alton/St. Louis	St. Louis Regional	ALN	RL	PUB	8,101	Y	117	78,429	Lambert-St.Louis International
16	IL	Chicago/Waukegan	Waukegan Regional	UGN	RL	PUB	6,000	Y	191	89,506	Chicago O'Hare International
17	MA	Bedford	Laurence G Hanscom Field	BED	RL	PUB	7,001	Y	415	186,544	Gen Edw L Logan Intl
18	MA	Lawrence	Lawrence Municipal	LWM	RL	PUB	5,000	Y	186	98,715	Gen Edw L Logan Intl
19	MI	Pontiac	Oakland-Pontiac	PTK	RL	PUB	6,200	Y	774	327,235	Detroit Metropolitan-Wayne County
20	MI	Detroit	Willow Run	YIP	RL	PUB	7,526	Y	230	186,146	Detroit Metropolitan-Wayne County
21	MN	St Paul	St Paul Downtown/Holman Fld	STP	RL	PUB	*6,371	Y	301	155,925	Minneapolis-St Paul Intl/Wold-Chamb
22	MO	St Louis	Spirit of St Louis	SUS	RL	PUB	7,004	Y	522	207,190	Lambert-St Louis International
23	NH	Nashua	Boire Field	ASH	RL	PUB	5,500	Y	398	95,565	Gen Edw L Logan Intl
24	NJ	Morristown	Morristown Muni Arpt	MMU	RL	PUB	5,999	Y	327	249,911	Newark Intl Arpt
25	NY	Farmingdale	Republic Arpt	FRG	RL	PUB	6,827	Y	499	241,447	John F Kennedy Intl
26	OH	Cincinnati	Cincinnati Muni/Lunken Field	LUK	RL	PUB	6,101	Y	261	119,279	Cincinnati Northern Kentucky Int'l
27	PA	Pittsburgh	Allegheny Cty	AGC	RL	PUB	6,501	Y	219	144,309	Pittsburgh International
28	PA	Coatesville	Chester Cty/G O Carlson	40N	RL	PUB	5,400	Y	132	112,310	Philadelphia Intl
29	PA	Philadelphia	Northeast Philadelphia	PNE	RL	PUB	7,000	Y	221	200,782	Philadelphia Intl
30	TX	Denton	Denton Municipal	DTO	RL	PUB	5,999	Y	154	97,300	Dallas-Fort Worth International
31	TX	McKinney	McKinney Municipal	TKI	RL	PUB	7,001	Y	146	128,992	Dallas-Fort Worth International
32	TX	Houston	Sugar Land Municipal/Hull Fld	SGR	RL	PUB	*7,620	Y	184	120,737	George Bush Intercontinental
33	UT	Ogden	Ogden-Hinckley	OGD	RL	PUB	8,103	Y	241	100,477	Salt Lake City Intl
34	WA	Everett	Snohomish County (Paine Fld)	PAE	RL	PUB	9,010	Y	472	188,219	Seattle-Tacoma Intl

ILS - This means either ILS, MLS, ISMLS, ILS/DME, Or LOC/GS (5010 11/10/99)

Aircraft & Ops. - 1999 TAF (included in NPIAS database)

* Adjusted runway length due to displaced threshold

BWI – 1998 delays don't meet 20,000 hours

SAN – 1998 delays don't meet 20,000 hours

CLE – 1998 delays don't meet 20,000 hours

Dear [Airport Owner]:

On April 5, 2000 the President signed new legislation that significantly increases Federal grants for airport improvements. One major feature of the legislation provides for the possibility of grant funds specifically entitled for your airport. The grant program is called the Airport Improvement Program, or AIP, and our office is the one that directly administers this program.

Based on preliminary information, the new provision may allow for an entitlement of _____ for your airport available in our fiscal year 2001 (October 1, 2000 to September 30, 2001), if Congress fully appropriates the AIP. The appropriation takes place sometime around October 1, but we will have a general idea about your chances of receiving the entitlement during the summer. This entitlement can be used in the year it becomes available and/or the next two fiscal years.

You may choose to postpone using your entitlement the first or second year and combine it with future possible entitlements to use on a larger project. If you decide to postpone using your entitlement for a given year, you need to notify our office early in that year. The AIP grant pays for 90% of the total project. You are required to pay the remaining 10%, although your state may pay for part of your share. Your state aviation contact is _____. If you think you will use the money in our fiscal year 2001, you need to budget for the local share.

In general, AIP funds can be used for airfield planning projects and most airport capital improvements or repairs except for terminals, hangars and non-aviation development. Also, the new legislation allows you to use AIP funds on runway, taxiway and apron pavement maintenance. All projects must be justified by the aviation demand at your airport and need to meet Federal standards, environmental and procurement requirements. We caution you not to contract for any work that may be the subject of a grant until we discuss your proposed project. Any construction work started before execution of a grant is not eligible.

For more details about AIP grants, visit our Web site at _____. This site gives you general program information, the major steps in obtaining grant and accomplishing the project, and the terms and conditions of a grant. [Include this paragraph if your web site includes sufficient information.]

_____ of my office is your direct contact and can be reached at telephone _____ or email _____. To ensure this letter reached the right person, we request that you contact us. We look forward to hearing from you.